LEGAL NOTICE

STATE OF LOUISIANA, OFFICE OF CONSERVATION, BATON ROUGE, LOUISIANA.

In accordance with the laws of the State of Louisiana, and with particular reference to the provisions of Title 30 of Louisiana Revised Statutes of 1950, a public hearing will be held in the Hearing Room, 1st Floor, LaSalle Building, 617 North 3rd Street, Baton Rouge, Louisiana, at 9:00 a.m. on **TUESDAY**, **JUNE 27, 2006**, upon the application of **CHESAPEAKE OPERATING**, **INC**..

At such hearing the Commissioner of Conservation will consider evidence relative to the issuance of Orders pertaining to the following matters relating to the Hosston (Travis Peak) Formation; the Cotton Valley "C" Zone, Reservoir A; the Cotton Valley "D" Zone; and the Lower Cotton Valley Formation, Reservoir A, in the Sligo Field, Bossier Parish, Louisiana.

- 1. To create two (2) additional drilling and production units for the exploration for and production of gas and condensate from the Cotton Valley "C" Zone, Reservoir A.
- 2. To create two (2) additional drilling and production units for the exploration for and production of gas and condensate from the Cotton Valley "D" Zone.
- 3. To create two (2) additional drilling and production units for the exploration for and production of gas and condensate from the Lower Cotton Valley Formation, Reservoir A.
- 4. To force pool and integrate all separately owned tracts, mineral leases, and other property interests within each of the proposed additional units in accordance with Section 10, Title 30, of the Louisiana Revised Statutes of 1950, with each tract sharing in unit production on a surface acreage basis of participation.
- 5. To designate unit wells for, and operators of, the proposed additional units as may be appropriate.
 - 6. To redefine the Lower Cotton Valley Formation, Reservoir A, insofar and only insofar as to LCV RA SUDD and LCV RA SUEE, as being that gas and condensate bearing zone encountered between the depths of 8,180 feet and 9,600 feet, electric log measurements, in the Chesapeake Operating, Inc. (formerly Devon Energy Production Co., L.P.) Martin Timber Company No. 2 Well, located in Section 29, Township 17 North, Range 11 West, Bossier Parish, Louisiana.
 - 7. To approve the downhole combination of production form the Hosston (Travis Peak) Formation, the Cotton Valley "C" Zone, Reservoir A; the Cotton Valley "D" Zone; and the Lower Cotton Valley Formation, Reservoir A; or from any combination thereof, in the wellbore of any existing well or subsequently drilled well located on the proposed unit.
 - 8. To consider such other matters as may be pertinent.

The Cotton Valley "C" Zone, Reservoir A, was defined in Office of Conservation Order No. 8-B-2, effective August 1, 1958.

The Cotton Valley "D" Zone and the Hosston (Travis Peak) Formation were defined in Office of Conservation Order No. 8-B, effective September 1, 1956.

The Lower Cotton Valley Formation, Reservoir A, was defined in Office of Conservation Order No. 8-K, effective October 16, 1990.

Plats are available for inspection in the Office of Conservation in **Baton Rouge** and **Shreveport**, Louisiana.

www.dnr.state.la.us/CONS/CONSEREN/hearings/pubhearings.htm.

All parties having interest therein shall take notice thereof.

- 4 -<u>SLIGO FIELD</u> 06-676 thru 06-679

BY ORDER OF:

JAMES H. WELSH COMMISSIONER OF CONSERVATION

Baton Rouge, La 5/22/06;5/25/06 S dnp

IF ACCOMMODATIONS ARE REQUIRED UNDER AMERICANS WITH DISABILITIES ACT, PLEASE ADVISE THE OFFICE OF CONSERVATION-ENGINEERING DIVISION AT P.O. BOX 94275, BATON ROUGE, LA 70804-9275 IN WRITING WITHIN TEN (10) WORKING DAYS OF THE HEARING DATE.